



Investment Office

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Telephone: (916) 795-2731 Fax: (916) 795-2625

<Date>

<Name>

<Title>

<Address>

<City, State, Zip>

Dear <Title> <Last Name>

The California Public Employees' Retirement System (CalPERS) is one of the largest public funds in the world with approximately \$200 billion in assets under management. CalPERS is currently a shareowner in your company with share holdings of XXXXX which represents .XX% of total shares outstanding. CalPERS is a global leader in corporate governance. In our view, good corporate governance produces good operating and financial performance which contributes to maximizing the value of the company.

CalPERS' Global Corporate Governance Core Principles & Guidelines states the importance of corporate citizenship, stakeholder relations and ethical conduct. Development and adherence to a formal set of principles such as those exemplified in the Global Sullivan Principles and MacBride Principles is encouraged. Enclosed are copies of both the Global Sullivan Principles and MacBride Principles for your review.

In 1999, the California Legislature enacted a statute that requires CalPERS to monitor and annually report on investment holdings in U.S. and international companies doing business in Northern Ireland.

CalPERS contracts with the Investor Research Responsibility Center (IRRC) to perform this monitoring function and provide CalPERS with a detailed annual report. In this report IRRC lists U.S. and international corporations operating in Northern Ireland and provides specific information about adherence to the principles of nondiscrimination in employment and freedom of workplace opportunity in compliance with the laws of Northern Ireland.

The CalPERS Investment Committee is concerned that companies identified in the Northern Ireland Report have been repeatedly participating in or allowing discriminatory practices in the workplace. Your company has been identified as such an enterprise.

<Name>

<Date>

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CalPERS strongly encourages you to review the situation at your Northern Ireland facilities and develop corrective action. We will be continuing to monitor your company with respect to this matter and will hope to see progress in the near future. Finally, we wish to inform you that the IRRC report on this matter is posted on the CalPERS website at www.calpers.ca.gov.

Please feel free to contact me or Dennis Johnson, Senior Portfolio Manager-Corporate Governance, at (916) 795-2731 if there are questions.

Sincerely,

Anne Stausboll
Interim Chief Investment Officer

Cc: Dennis Johnson